

To the Members of the Select Board, Town Administrator, Director of Finance
Moultonborough Town Hall
Moultonborough, New Hampshire 03254

September 10, 2014

Per the ABC Charter, the Committee will conduct quarterly reviews of all School, Town and Library budgets. The ABC reviewed the Second Quarter Year to Date Town Expenditure Report which represented the six months ended June 30, 2014. The report was prepared by the Town Finance Director.

The following is a list of questions submitted to the Town Administrator and Finance Director. The responses received from the Staff are appended to this document.

All material operating budgets were either on or below budget. The Committee notes that Departmental Line Item Expenditures that have exceeded 50 % of budget have been explained by the Finance Director in her summary memo to the BOS. The committee notes below the following open questions. Please comment and indicate your best estimate of potential year end savings.

	<u>Expended</u>	<u>Total Budgeted Line Item</u>
DPW Highway Overtime	83 %	42,500

Police Department Other Services: The finance director has commented in her report that this line item is over budget due to yearly payments to Belknap County and to the Humane Society. Please provide the amount and nature of expense to the Humane Society.

Recreation Revolving Fund: The Committee noted that the Rec revolving fund started the year with an adjusted balance of \$182,464.63. The current balance is \$168,758.53. The current activity of 13,781.30 will be transferred from the revolving expense control account. The committee notes that there appears to be \$17,103.25 plus \$655.00 of sponsor income received to date in 2014. We believe these amounts should also be reflected in the balance of the Recreation Revolving fund.

We further note that salaries have not been charged to the revolving fund. We understand that the bulk of expenditures for the summer programs will materialize in Q3 and will reserve further comment until our third quarter review. During 2013 we appreciated the effort expended and additional information provided by the Recreation Director in her *Quarterly Report - RRF* and the monthly *Rec Department Trip Reports*. We would like to continue to receive the reports.

The Committee has no additional outstanding concerns with the expenditure information as reported.

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The committee would like to request Heidi provide us with her schedule and an understanding of her accounting procedures for transfer of expenditures and revenue from the general fund and operating budget to the Recreation Revolving Fund.

Sincerely,

Jean Beadle, Chair

Moultonborough Budget Advisory Committee

Jean M Beadle, ABC Chair

Alan Ballard

Amanda Bergquist

Barbara Sheppard (Library Trustee Representative)

Kathy Garry (School Board Representative)

Chris Shipp (Select Board Representative)

MEMORANDUM – OFFICE OF THE TOWN ADMINISTRATOR

TO: Jean Beadle, ABC Chair
FROM: Carter Terenzini, Town Administrator
RE: FY 2014 Q2
DATE: August 19, 2014
CC: H. Davis; BoS

Carter



I write in response to your questions on certain items in the FY 2014 Q2 report:

Under Expended Accounts: You have inquired as to several accounts which vary from are below anticipated (i.e. 50%) time trend lines. The department head(s) advise me as follows:

Q: DPW Highway Overtime shows 83 % of its \$42,500 budget expended.

A: This line item covers snow and ice operations ((Jan/Feb/Mar/Apr/Nov/Dec) and year round storm response. It is weather driven. The 2013-2014 winter season was harsher than anticipated and extended deeper into the Calendar Year than the norm thus driving overtime higher than expected. By comparison, Q2 of FY 2013 was at 74% expended. By further comparison, Q1 of 2014 was at 71% expended or some 13 percentage points higher than the same quarter in FY 2013. Between internal under expenditures and the contingency I am comfortable we will close out the year without a problem in this line.

Q. Police Department Other Services: This line item is over budget due to yearly payments to Belknap County and to the Humane Society. Please provide the amount and nature of expense...

A. Please see page 202 of your budget book for the \$3,900 expenditure. This fee is paid to allow our residents to surrender animals without charge. The PD itself drops off about 10+/- dogs a year. This is viewed as more of an effort to support this resource in general.

Recreation Revolving Fund: The Committee noted that the Rec revolving fund started the year with an adjusted balance of \$182,464.63. The current balance is \$168,758.53. The current activity of \$13,781.30 will be transferred from the revolving expense control account. The committee notes that there appears to be \$17,103.25 plus \$655.00 of sponsor income received to date in 2014. We believe these amounts should also be reflected in the balance of the Recreation Revolving fund. We further note that salaries have not been charged to the revolving fund. We understand that the bulk of expenditures for the summer programs will materialize in Q3 and will reserve further comment until our third quarter review. During 2013 we appreciated the effort expended and additional information provided by the Recreation Director in her *Quarterly Report - RRF* and the monthly *Rec Department Trip Reports*. We would like to continue to receive the reports.

A. Your thoughts are noted.

With that I trust your questions have been answered.